



November 12, 2001

Mr. Andrew Stephens
Director for Steel Trade Policy
Office of the U.S. Trade Representative
600 17th Street, NW
Washington, DC 20508

Re: Section 203, Imports of Certain Steel. Exclusion Request.

Dear Mr. Stephens:

The Ball & Roller Division of NN Inc. is an independent manufacturer and supplier of high precision ball and roller components to the anti-friction bearing industry worldwide. We are requesting an exclusion for the 52100 grade bearing quality hot rolled rod-in-coil that we import to make our products.

This steel meets the requirements of ASTM A295 and AMS 6440 Specifications and is represented by the HTS number 7227902030. We are requesting an exclusion because there are no domestic producers of the ingot cast 52100 grade bearing quality, hot rolled, rod-in-coil we use. Furthermore, there are no U.S. mills that have the integrated manufacturing capability to make this steel.

We compete in a world market. Our seven largest customers account for 76% of our ball sales. Only one of these customers is headquartered in the U.S. Currently 43% of our sales are exports. Our customers determine the quality requirements of our products and the steel we use to make them. The specification criteria for the 52100 grade bearing quality steel we buy exceeds the "standard" requirements for ASTM A295 or AMS 6440. There are no U.S. mills that have demonstrated the ability to meet our requirements. We do not control this. We either meet our customer requirements or we do not get their business.

Our company is concerned that if there is a remedy applied to this product it could lead to increased cost and lower quality for the balls and rollers we produce. In a highly competitive world market the consequences could be significant. Our company is not opposed to a remedy to protect the U.S. steel industry where it has been hurt by unfair trade practices or in markets where they actually produce the product. But the U.S. industry does not produce this product. The U.S. industry does not have any integrated mills with the demonstrated ability to produce this product. Therefore we respectfully ask the U.S. Trade Representative to exclude HTS number 7227902030 from any action under Section 203 with respect to steel imports.

Respectfully submitted,

David Butler
Materials Manager

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